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PROVISIONAL VERBATIM RECORD OF THE NINTH MEETING

Held at Headquarters, New York,
on Saturday, 28 April 1990, at 10.00 a.m.

President: Mr. SALLAH (Gambia)
(Vice-President)

later: Mr. NIETO (Costa Rica)
(Vice-President)

Mr. SALLAH (Gambia)
(Vice-President)

- General debate [8] and [9] (continued)
- Organization of work
- General debate [8] and [9] (continued)
- Credentials of representatives to the eighteenth special session of the General Assembly [3]
  - Report of the Credentials Committee

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In the absence of the President, Mr. Sallah (Gambia), Vice-President, took the Chair.

The meeting was called to order at 10.20 a.m.

AGENDA ITEMS 8 AND 9 (continued)

GENERAL DEBATE

Mr. SANOUSSI (Guinea) (interpretation from French): At the outset, I should like to express the warm congratulations of the Guinean delegation to Mr. Garba on his election to the presidency of the eighteenth special session. We are certain that, given his skills as an experienced diplomat and his great human qualities, our work will meet with the success we have a right to expect.

I should also like to pay a tribute to the Secretary-General for the praiseworthy efforts he constantly exerts to promote and realize the noble ideals enshrined in the Charter of our Organization.

On the morning of 23 April 1990 we all experienced a moment of intense emotion and legitimate pride when the flag of independent Namibia was unfurled against the New York City sky alongside those of other free and sovereign nations. The delegation of Guinea would like to seize that event as an opportunity to renew its resolute solidarity with the prople and Government of Namibia under the wise and courageous leadership of His Excellency President Sam Nujoma.

The special session is being held during a particularly decisive phase in international economic relations, for although notable progress has been made in recent years in the political arena, that has not gone hand in hand with progress in the economic sphere.

Indeed, notwithstanding the remarkable growth rates recorded in some parts of the world, the growth of the world economy is too weak to allow for any palpable improvement in the living conditions of the majority of mankind living below the threshold of poverty.

(Mr. Sanoussi, Guinea)

It is no exaggeration to say that this final decade of the century is likely to be marked by uncertainties owing to the rapid changes still affecting the structure and functioning of the world economy.

The Government of Guinea is of the view that the international strategies of the past have not really coped with the following problems, which it believes continue to be as acute as ever: poverty, the external debt crisis, commodities and the development of human resources.

That is especially true in Africa, which remains the only continent in the world where per capita output has constantly declined and where per capita income has also plummeted at an average of 2.6 per cent per year over the last 7 years in a row.

That means that a consideration of African realities and the implementation of adjustment policies is one of the prerequisites for African viability, along with the assurance that there will be no dichotomy between development and adjustment.

The human dimension is the corner-stone of any development undertaking, which must rest on a just distribution of advantages among peoples. Because - and we emphasize this - any development programme that tends to marginalize the people is likely to be compromised in the long run, particularly when it affects the most vulnerable.

That is why the African Alternative Framework to Structural Adjustment Programmes, adopted in April 1989, reflects the determination of Africans to define the modalities of an adjustment that will enable them to base their growth on sound premises and to work with full awareness towards their future.

The Government of the Republic of Guinea endorses the ideas brought forth at the Ninth Summit Meeting of the countries of the Non-Aligned Movement at Belgrade

(Mr. Sanoussi, Guinea)

regarding the establishment of an international framework for resuming growth and development in the firm belief that giving concrete and tangible expression to that idea dovetails directly with work linked to the international development strategy and the current special session.

We must never lose sight of the fact that restarting economic growth depends on strengthening international economic co-operation in an evermore interdependent world.

My country for its part is determined to pursue the task of structural adjustment begun in 1986 and to do so with the help of the international community and all people of goodwill who wish to join with us in promoting a policy of structural adjustment in the well-understood best interests of every strata of Guinean society. That means that Guinea is fully aware of the national effort it must make to lay the groundwork for building the national capital base that is indispensable to any development undertaking.

However, above and beyond financial and technical assistance, the implementation of such a policy requires moral support, a fact that has never been denied and a practice that Guinea would like to see constantly reinforced within the framework of increased international co-operation.

It is in that perspective that we feel that the United Nations has an opportunity to set the tone in the political sphere and thus contribute to working out specific solutions within the international system as a whole.

The international community must express its renewed commitment to meet the challenge presented to it and must at last turn towards a sounder and more stable world economy with a view to consolidating the foundations for development, while at the same time improving international economic relations for the benefit of all countries.

READEX FICHE

(Mr. Sanoussi, Guinea)

In conclusion, I should like to echo the following meaningful words contained in the Declaration of the Ninth Conference of Heads of State or Government of the Movement of Non-Aligned Countries, held at Belgrade:

"There can be no stability nor better prospects for the world without reducing the disparities in the level of global development." (A/44/551, p. 15)

Mr. ABDOUN (Sudan): The First Under-Secretary of the Ministry of Foreign Affairs of the Sudan, who intended to deliver this statement, regrets being unable to do so. He had to depart from New York on another urgent assignment. With the Assembly's permission, I shall therefore do so on his behalf. The statement reads as follows:

(continued in Arabic)

"The delegation of Sudan has already had an opportunity to express its congratulations to Ambassador Joseph Garba on his assumption of the presidency of the forty-fourth session of the General Assembly. We renew our congratulations to him on his election as President of the eighteenth special session and we wish him all success in his leadership of our deliberations. My delegation is also pleased to pay a tribute to Mr. Javier Perez de Cuellar, the Secretary-General, for the active role he plays in various spheres. My country appreciates his efforts and, in particular, his active role in the convening of the special session.

"It is gratifying that the special session should have witnessed the climax of the long and heroic struggle of a sister country on our continent, thereby eradicating the last remnants of colonialism in Africa.

(Mr. Abdoun, Sudan)

"We therefore pay a wholehearted tribute to the young State of Namibia and welcome it as a full-fledged member of the community of nations; we wish it every success in all its endeavours. The accession of the Republic of Namibia to membership of the United Nations is all the more significant since it reflects the determination of all peoples to overcome difficulties and meet challenges. We look forward to the day when Palestine will attain liberation and accede to membership of the Organization as a sovereign, independent State.

"The economies of the developing countries were dealt a series of blows in the 1980s, including a widening in the gap between those countries and the developed ones and a shrinking of their economic base, as a result of the closed-door policy in foreign trade and international finance pursued by the industrialized world. This has led, in turn, to the paralysis of a large part of those countries' productive capacity, at the very time when they were being pressed to meet their external obligations by implementing strict austerity policies fraught with social, economic and political consequences. To use an Arabic proverb, these countries were thrown out to sea with their hands tied behind their backs and asked not to get wet.

"This situation has further deteriorated in some developing countries, in particular the sub-Saharan African countries, as a result of natural disasters that have engendered a series of very serious consequences in large sectors of their economies. These countries need more time and energy to overcome the aftermath of natural disasters than they have at their disposal.

"The devastation wrought by desertification, drought and floods has forced hundreds of thousands of persons to emigrate from rural areas, to urban centres, leading to a decline in production, especially of food, and a disruption of the social fabric of the country.

(Mr. Abdoun, Sudan)

"The situation has been complicated even further in my country by the constant influx of refugees from neighbouring States. Though we appreciate the international community's efforts to assist us in settling these refugees and helping them lead a stable life, the fact remains that such immigration has been and continues to be a very heavy burden on our already limited resources.

"Another salient feature of the 1980s was the fact that the technology transfer effected over that decade did not meet our countries' requirements. That, in turn, contributed to exacerbating the imbalance in our country's economy like the economy of other developing countries and, in particular, the growing problem of external debt.

"Such a situation calls for a comprehensive approach, one that would recognize the vital link between, and the interdependence of, the various components of the problem. For instance, the question of indebtedness cannot be addressed in isolation from the question of external financial flows that are needed to enhance our production capacity and boost exports, if we are to have any access to world markets.

"But this has been impossible to achieve because of the fluctuation in the world monetary system, the deterioration in the terms of trade, the decline in various forms of assistance and the growing protectionist trends. No wonder, then, that in the 1980s the economies of a number of States that were struggling to make ends meet, to feed millions of their poor and hungry and to overcome the consequences of natural disasters, began to shrink in a way they had never experienced before. Development has become an improbable hope for these countries.

(Mr. Abdoun, Sudan)

"Since the economies of most developing nations rely on foreign trade as a major source for funds and a mainstay of their balance of payments, any disruption in that sector can lead to a chain of problems: higher inflation, excessive reliance on loans to finance deficits and greater instability in exchange rates.

"It has become abundantly clear that the economies of these countries cannot afford further such shocks; they simply cannot absorb them. The lessons drawn from the 1980s demonstrate that the root of the problems affecting the developing economies lies in the very structure of those countries. Hence, the classic economic tools are of no use in tackling such problems. Experience has proved that a long-term strategy focusing on production is needed to cope with the situation. To be successful, this approach should be comprehensive and not partial and centred on certain variables to the exclusion of all others. My delegation holds that the following points should be taken into account when addressing the overall problem:

"First, the debt crisis must be solved in conjunction with the problem of the outflow of resources.

"Secondly, the developed countries, in an unprecedented move, are now calling upon developing nations to observe the principle of reciprocity in exchange rates. But at a time when the richest countries in the world are unable to stabilize their exchange rates or their currencies, how can they expect States with shrinking economies to introduce constant changes in their rates of exchange? My delegation believes that the international community should be capable of creating the appropriate climate to ensure that the necessary resources are provided to cushion developing countries from the initial shock of exchange rate fluctuations and help them recover.

(Mr. Abdoun, Sudan)

"Thirdly, since all elements are interrelated and a comprehensive approach is needed to cope with the problem of the imbalances in the developing countries' economies, my delegation feels that the fund proposed for solving the external debt crisis should include all forms of debt as well as the obligations of some States towards the International Monetary Fund (IMF). We also propose that the activities of the fund be expanded to protect developing countries from fluctuations in exchange and interest rates. In this context, we are closely following the efforts made by Mr. Bettino Craxi, a former Prime Minister of Italy, in regard to the debts of sub-Saharan African countries. We hope that his efforts will be duly supported by the international community.

(Mr. Abdoun, Sudan)

"Fourthly, we are following the Uruguay Round of negotiations with great interest, and it is our hope that a formula acceptable to all parties will be devised to expand the base of international trade. The developing countries aspire only to justice and equity in the distribution of the world's resources and to having comparative advantage considered the decisive criterion in trade relations, particularly where the developing countries enjoy a competitive position, namely, in agriculture and the textiles industries.

"In the light of the current international détente and the developments taking place in Eastern Europe, my delegation supports the policies of free economy pursued by those countries, since they will undoubtedly lead to an expansion in international trade and open up new possibilities for marketing the products of the developing world in a manner that would benefit all parties.

"The scientific breakthroughs achieved in recent years, especially in the field of telecommunications, have also increased international interdependence; any event that takes place in one part of the world is reflected everywhere else. A case in point is the changing environment and world climate, which has become a major cause for concern to the entire world community. Such concern over the environment is, in my country's view, of primary importance. It stems from our recognition that arresting and reversing the degradation of the environment calls for efforts to devise alternative sources of energy and fuel, reforestation to combat drought and desertification and programmes for the resettlement of displaced persons. In this connection, there is a need to improve the quality of education, health, family planning and care for the mother and the child since human resources is the major component of any structural adjustment.

(Mr. Abdoun, Sudan)

"We hope that deliberations at this special session will produce concrete programmes with specific measures to stem the shocking deterioration of conditions in the developing countries. Those measures must aim at utilizing the resources released from disarmament as the principal source for development efforts.

"We firmly believe in the role of the United Nations in consolidating international interdependence. In view of the current détente we hope that the coming decade will be one of peace, of combating poverty and famine and of growth and prosperity in the developing countries."

Mr. THOMPSON (Fiji): It is my pleasant privilege to congratulate Ambassador Garba on his election to preside over this important session. The qualities of leadership which he has already so ably demonstrated during the forty-fourth session of the General Assembly and the sixteenth and seventeenth special sessions assures us that this eighteenth special session will make a significant contribution to global economic growth and development.

The admission of Namibia into the United Nations is historic for the Organization. No other Member has undergone such a long and difficult gestation under the aegis of the United Nations as has Namibia. So it is that its admission on Monday, like its independence only a month earlier, generates so much rejoicing and happiness in all of us. My country was privileged to have played a small part in the final steps towards independence through its participation in the United Nations Transition Assistance Group (UNTAG). On behalf of the people and Government of Fiji, I extend a warm welcome to the people and Government of Namibia and wish them the very best for the future.

The Third Development Decade is ending in disappointment without the high hopes offered by its beginning being achieved. While there has been noteworthy

(Mr. Thompson, Fiji)

progress in some countries and regions, overall the picture has not been bright. World annual growth during the decade dropped to less than 1 per cent, maintaining a steady downward trend and exacerbating the gap between the "have" nations and the "have-not" nations. Numerous statistical indicators show that in many parts of the world standards of living have declined, in some cases with serious consequences. The factors which persisted during the 1980s and which tended to nullify growth and development - protectionism, crippling debt burdens, declining investment flows, extensive financial instability, rising environment damage - appear to have become even more entrenched.

It was against this backdrop that the Group of 77 took the initiative to call for this special session to take stock of the experience of the past decade and to set a more effective foundation for the next. Clearly, frank and realistic appraisals are called for and the compact of co-operation between developed and developing countries needs renewal and reaffirmation. Lessons from the past show that increasing global integration and interdependence demand a strategy of shared goals and actions by developed and developing countries. A revitalized commitment to sharing, within the framework of a common future, is called for.

Over recent months the social and political transformations which have overtaken Eastern Europe, southern Africa and Latin America have held the world spellbound. Already it is evident that the focus on the needs of developing countries could lessen because of the changes in Europe that will tend to preoccupy the financial and political attention of developed countries. We have been assured repeatedly that this will not be so. The proof will come over the next few months. My delegation hopes that the forces which could generate positive enhancement for international development will in fact result. However, some early warning signs are not propitious, as, for instance, the difficulties the African,

(Mr. Thompson, Fiji)

Caribbean and Pacific (ACP) countries have had over the Lome IV negotiations with the European Community, the more stringent conditions for development assistance, the lack of attainment of the official development assistance target of 0.7 per cent of gross national product, the relative inflexibility over the trade issues in the waning months of the Uruguay Round, to name only a few, are portents of a more difficult future.

There is frequent reference to sustainable development, and this special session is a case in point. But time and again, actions do not seem to match the rhetoric. The negotiations on the draft declaration in the Preparatory Committee for this special session saw certain important subgroups of the developed countries being dogmatic and inflexible. In spite of all the lofty protestations, one sensed a definite undercurrent of unwillingness to move positions sufficiently to achieve common ground with the developing countries. There appeared to be the use of strong-arm tactics, even against those willing to co-operate.

The new International Development Strategy, which is at present being negotiated, will provide the framework for all international efforts in the economic field over the next 10 years. Also impacting on that exercise will be the eventual outcome of UNCTAD VII, UNCTAD VIII in June 1991 and the 1992 Conference on Environment and Development. We hope that a more inclusive approach, fully respectful of the principle of universality, will be followed in the process of achieving consensus in all forums.

(Mr. Thompson, Fiji)

Past prescriptions for the development of third-world countries have been found wanting in important respects. Many developing countries have undergone the difficult and destabilizing structural adjustments they have been called upon to undertake. Results have generally not been happy, and in many cases serious disruptions and hardships have been experienced at the grassroots level. Against this background, the 1990s will prove to be a critical decade for many of our countries, and the adoption of a more humane multilateralism will be essential for us to realize anywhere near our full potential.

Trade, in its widest sense, will be expected to play a central role during the Fourth Development Decade to overcome the intractable social and economic inequities that stubbornly continue to plague the developing countries. Freer international trade has the potential to revolutionize living standards everywhere. But over past decades the imbalance between developed and developing countries has worsened rather than improved. UNCTAD VII will fall far short of its aims unless the Uruguay Round is able genuinely to involve developing countries and incorprate measures which will result in tangible improvements in their living standards. It is not enough to achieve a meeting of the minds on reversing protectionist trends, as often happens in international and other meetings. This must also be put into practice.

A number of recent, as well as potential, developments suggest that multilateralism in international economic relations may become more difficult to achieve. The argument goes that the decade of the 1990s will see a fully integrated European Community, possibly of more members than the present 12, North America increasingly operating as one economic entity, and the consequences of the changes taking place in Eastern Europe will become felt. The past record suggests that these developments will work to the disadvantage of developing countries

(Mr. Thompson, Fiji)

unless those blocs enhance rather than restrict the access of developing countries to their markets.

Many developing countries continue to meet great difficulty and in some cases find it impossible to gain markets in the industrialized economies for many of their products. Although some progress has been made under the generalized system of preferences, three quarters of dutiable exports of developing countries do not enjoy preferential treatment. Non-tariff barriers remain a major impediment to freer trade. Statistics show that one third of the exports of developing countries to developed markets are affected, and in some important groups of items the proportion goes as high as three quarters. In this endless dialogue between North and South the rhetoric is not being matched by reality.

In this situation the island developing countries, which are among the most fragile and vulnerable of the developing countries, find themselves literally caught between the devil and the deep blue sea. There are over 20 island developing countries and territories in the island Pacific subregion, widely scattered, most of them small, and some tiny. Four are classified as least developed. Their links to the outside world are poorly developed and extremely expensive to maintain. Yet they are highly dependent on outside sources of supply, themselves having very little productive capacity and resource endowment. Many still have dominant subsistence sectors. Their small size and remoteness make them highly vulnerable to the forces of nature, and hurricanes occur frequently. A recent report of the Economic and Social Commission for Asia and the Pacific has confirmed little or no growth in 1989 and 1990 for many Pacific States because of devastation caused by hurricanes over the past year. The small island nations and territories of the island Pacific, as indeed the island developing countries world-wide as a group, need an innovative approach to their special situation.

(Mr. Thompson, Fiji)

Drawing on their sense of community and shared values, the nations of the island Pacific have found it more useful and effective to come together and deal with many issues on a regional basis. We have therefore established regional institutions such as a regional university, a telecommunications training centre, the Forum Fisheries Agency, the Forum Shipping Line, the South Pacific Applied Geoscience Commission and the Pacific Islands Development Programme. A further expression of this regional spirit has been the adoption of a number of conventions to protect and enhance the environment. The South Pacific Regional Environment Programme, the South Pacific Nuclear-Free Zone Treaty and the recent convention banning drift-net fishing are examples. To achieve their full potential, these regional intiatives require supportive and complementary action from outside the region, which, we have been pleased to see, has on the whole been readily forthcoming.

With regard to Fiji, my Government is currently embarking on new economic policies designed to ensure that the difficulties of the 1980s are not repeated in the 1990s. We recognize the need for a more outward-looking, trade-oriented approach to development. Measures of protection and subsidy that were earlier intended to promote import substitution are being dismantled, and a positive programme of export promotion has been adopted and vigorously implemented. In these early stages we are to a considerable degree dependent on the preferences open to us in the developed countries, particularly those embodied in the South Pacific Regional Trade and Economic Co-operation Agreement with Australia and New Zealand, those of the United States under the Generalized System of Preferences and those under the Lomé Conventions between the European Community and the ACP (African, Caribbean and Pacific) countries. We have already had some encouraging export successes, and we anticipate a significant upturn in investment in Fiji to

(Mr. Thompson, Fiji)

take advantage of the range of preferences available to us and the expansionary policies adopted by the Government. We look forward to being able to continue these national programmes within a supportive international trading environment.

The lead role which UNCTAD has taken in the recent past in focusing on the specific characteristics and needs of the island developing countries has been for us a welcome initiative. The high useful collation of the features and characteristics of island developing countries which UNCTAD carried out last year was an important step forward, and we hope that further work has been conducted since then and that the results will be considered at the forthcoming Conference on Island Developing Countries. We look forward also to seeing specific provisions finding a place in the new arrangements which will be considered by UNCTAD VIII.

It has been said many times during this debate that the next decade will be a critical one for all of humankind. If the generations to follow are to be given the inheritance it is their right to expect, then this special session and other meetings to follow must demonstrate by deeds that a real change of heart has taken place.

Mr. RAVIX (Haiti) (interpretation from French): At the outset I would associate myself with preceding speakers in welcoming the Republic of Namibia as the 160th Member of our Organization. The delegation of Haiti is pleased to convey to the heroic people of Namibia warm congratulations and wishes for prosperity from the people and Government of Haiti.

On behalf of the Haitian delegation I extend to you, Sir, warm congratulations on your election as President of the eighteenth special session of the General Assembly. We are convinced that our work will be as successful as that of our two previous special sessions, which you guided with such ability and skill.

(Mr. Ravix, Haiti)

We also extend sincere congratulations to the Secretary-General, Mr. Javier Perez de Cuellar, for his important report on the state of international economic co-operation and effective ways and means of revitalizing the economic growth and development of developing countries, which has been very useful to us in preparations for this session.

This special session of the General Assembly devoted to international economic co-operation, in particular to the revitalization of economic growth and development of the developing countries is for us of the greatest importance. At a time when we are entering the last decade of the century, it is imperative for us to take stock of the general situation and lay down a global strategy for the new period.

We think that all the profound changes taking place in the world and the consequent changes in international relations will inevitably cause upsets on the economic and social level. Hence the need to provide for new economic co-operation for the benefit of all.

(Mr. Ravix, Haiti)

Despite declarations of good intentions and programmes established to promote development throughout the world, the Third United Nations Development Decade ended on a note of extreme disappointment. The problem of development, which has been on the agenda for several decades, continues to be a burning issue for the countries of the third world, which have been marginalized for too long. To give an idea of their tragic situation, it is sufficient to recall a few relevant facts.

Apart from a few Asian countries whose economies were given massive injections of capital, the developping countries as a whole have over the past 10 years seen their economies stagnate, if not regress. In sub-Saharan Africa the per capita gross national product has suffered a record decline of more than 10 per cent from its level in 1980. The situation in Latin America and the Caribbean is no better. A much bigger percentage of the population of the third world is now marginalized, and the number of countries considered to be least developed has increased from 24 in the 1970s to 42 today. Every day, the countries of the South see a lessening of any hope for improving their peoples' standard of living.

At the same time, the industrialized countries have experienced a period of sustained growth, and that growth has accelerated in recent years. Therefore, the existing immense disparities between the rich countries and the developing countries have become worse.

The reasons for this situation, which is anachronistic, to say the least, have been identified. To the perpetual problem of deteriorating terms of trade has been added a combination of new factors, such as the debt burden, the pernicious and destabilizing effects of structural adjustment programmes, a resurgence of protectionism in world trade and an increase in interest rates.

(Mr. Ravix, Haiti)

Even more serious is the economic bloodletting resulting from the net transfer of resources from the developing to the developed countries, caused by the decline in investment in the countries of the third world and by debt servicing, which forces the third world countries to make even greater outlays.

It is true that efforts have been made to resolve these serious problems. However, in many cases promises have not been kept, and in others the measures taken have not had the expected effect. That is why, as we enter the Fourth Development Decade, rightly regarded as the last hope for the third world to extricate itself from chronic underdevelopment, we propose tackling the problem with a new approach and advocate the adoption of innovative measures meeting the specific nature of the problems.

In that regard, an unprecedented effort of international solidarity should help us cope with the great challenge ahead of us during the decade. Such solidarity is essential today, when the world has become interdependent and when we witness a globalization of the problems confronting us.

The debt burden, one of the main causes of the impoverishment of the countries of the third world and a brake on their development, should be dealt with more realistically. While the various measures aimed at alleviating the debt are appreciated, they should be expanded and revised to take into account the growth and development needs of the debtor countries.

At the same time, the third world countries, whose savings rate is very low, must have access to foreign capital, which they so badly need to finance their development. Here we must recall the target set by the United Nations 30 years ago, when it called on the developed countries to devote 0.7 per cent of their gross national product to development aid.

(Mr. Favix, Haiti)

The role of international trade in economic expansion is clear. We believe it is vital to stress the need for the markets of the developed countries to be more open to products from third world countries. Measures taking into account the needs of the developing countries should be drawn up and the necessary machinery should be established by international institutions, such as the Stabex System - for stabilization of export earnings - the Common Fund for Commodities, and the International Monetary Fund's compensatory financing and emergency financing facility should be strengthened, or in fact supplemented by even bolder measures. We hope that at the second United Nations Conference on the Least Developed Countries, to take place in Paris in September, these questions will be adequately addressed.

In considering strategies to revitalize growth in the developing countries, our delegation must mention the role that each of our countries has to play, by adopting consistent and judicious national policies. However, without an international environment that is responsive to those domestic efforts it would be futile to hope for a better performance by our economies.

At the same time, the reform policies imposed on us very often take no account of the specific realities of each country. Therefore, structural adjustment programmes should take into consideration the social costs of their application and their real effectiveness.

The United Nations has set itself great and noble goals. One is to promote social progress and establish better living conditions throughout the world. It is the fulfilment of those ideals that we seek at this session. We hope that our debates will lead to a series of effective, concrete measures designed to put economic growth in the developing countries back on track.

(Mr. Ravix, Haiti)

We are sure that a solemn commitment by all countries to implement those measures will enable us to meet this serious challenge to the international community.

Mr. NIETO (Costa Rica) (interpretation from Spanish): I have the honour to address the Assembly on behalf of the Central American States - El Salvador, Guatemala, Honduras, Nicaragua and Costa Rica - and to reaffirm our resolute readiness to contribute to making a success of this session.

We are pleased to see the President guiding our work, since his outstanding qualities as a diplomat and his broad knowledge of the subject of international economic co-operation will help us do worthwhile work, with successful results.

We whole-heartedly welcome Namibia as a new Member of the United Nations. The people of Costa Rica wishes the fraternal people of Namibia prosperity and well-being. Namibia's admission represents a historic victory for the Namibian people and the United Nations, whose efforts facilitated Namibia's peaceful transition to independence.

We are gathered here to examine international co-operation and the revitalization of the economic growth and development of the developing countries. There could be no better time. The end of the cold war, the changes towards democracy and freedom in Eastern Europe and the climate of political détente throughout the world give us an exceptional opportunity to resume the dialogue on international economic co-operation in a broader context and to reactivate North-South relations with a view to reducing the growing inequality between the well-being of the peoples of the rich nations and the well-being of those who are sinking ever more deeply into poverty - the legacy of the 1980s.

(Mr. Nieto, Costa Rica)

Today, at the beginning the 1990s, a billion people, one fifth of the world's population, lives in a state of grinding poverty and absolute ignorance. The foreseeable future gives no hope of a dignified life for the vast majority of peoples. We must not allow this situation of universal injustice to continue. The time has come to make a genuine commitment, based on human solidarity, to distribute fairly the fruits of progress, the basis of international peace and stability.

(Mr. Nieto, Costa Rica)

During the last decade, the region of Central America has endured the most profound crisis in its history. Per capita income declined by 17 per cent, and this set us back, in terms of living standards, by some 20 years.

The drastic and prolonged decline in commodity prices, which amounted to a loss of $600 million for the region in 12 months on coffee alone; the flight of capital, the servicing of the external debt and the collapse of the Central American common market, exacerbated by political problems and violent domestic conflicts in a number of countries have left us with pain and want in frightful proportions. The prospects for growth for the region are doubtful. Some predictions suggest that the levels of well-being achieved in 1970 will not be regained until the end of this century, and this will be possible only if the international community supports our regional efforts.

The peoples of the isthmus, led by their Presidents, have made strides in a positive and encouraging way in the process of bringing peace and democracy, which will be consolidated and prove lasting only if our countries manage to rebuild their economies and renew their development. Nations the world over must share the responsibility for helping the people of our region realize their aspirations. This is why we look hopefully to the promises made by the international community which are taking shape in a number of initiatives.

In the first place, the General Assembly adopted the special plan for economic co-operation in Central America, which constitutes a framework for guiding effective co-operation in this realm. What this plan amounts to for the co-operating community is a beacon to guide them, and for Central America it is a light that offers hope. The first fruits are being harvested in the devising of development projects and the prospects for tangible commitments, which is why it is indispensable that this plan should be extended for an additional three-year period.

(Mr. Nieto, Costa Rica)

Secondly, we have entered into a variety of accords with the European Economic Community (EEC) to step up its technical and financial co-operation with countries in our region. At the last meeting held at Dublin, Ireland, the Ministers of the Community expressed their firm determination to spur forward in the economic integration of Central America, to improve its integration into the world economy, and they committed themselves to contributing $250 million to reactivate the Central American common market.

As the twenty-first century dawns, consolidating liberty demands that we prove capable of offering to our people a life in greater dignity, better job opportunities and greater access to health services, housing and education. Freedom demands that we eradicate want and that the fruits of freedom be distributed fairly. If we do not accept this new meaning of freedom, we shall be jeopardizing the achievements of peace and democracy.

In our never-ceasing quest to find the right kind of solutions to the problems that bedevil us, we are aware that our next task will be that of reducing arms levels. Poor countries like ours cannot - and, indeed, must not - channel their resources into non-productive military spending. We shall work hard to close loopholes and see to it that dialogue prevails over armed force. This attitude gives us the moral authority to call for economic co-operation, such as we hope for and expect from the international community.

Moreover, sound recovery for the Central American economies requires us to have access to international markets. We need co-operation to begin to rebuild our nations, but in the long run trade is essential for our development. Trade restrictions and protectionist practices would do even more serious damage. In this vein, the Caribbean Basin initiative marks a step in the right direction, and we acknowledge that with satisfaction.

(Mr. Nieto, Costa Rica)

Among the obstacles that stand in the way of stepped-up growth for developing countries, perhaps the most serious is the external debt. High payments for debt servicing have compelled nations to reduce their investments and imports, thus reducing their economic potential for the future. Simultaneously, adjustment processes for making payments abroad have increased the fiscal deficit and consequently accelerated inflation. Its ravages have translated into high social costs which have unfortunately struck at the most disadvantaged strata of our population.

Parallel with indebtedness, there has arisen the problem of the negative net transfer of funds out of developing countries and into the developed world. How is the third world going to attain levels of sustained development if during the period 1984-1989 there was a negative net transfer of about $180 billion?

We must thereforee seek imaginative, innovative ways and means to help our countries, poor and capital-starved, once again become net recipients of financial resources. One of the most promising paths towards attaining that end lies in designing a pattern that would make it possible to utilize capital that has fled our countries and that is now on deposit with commercial banks in the industrialized world.

The purpose of this machinery would be to make use of such resources for investment and development projects in the countries of origin of the funds, which could then be used only for acquiring goods and services from those countries in which the funds are deposited, so as to benefit their economies as well. In this way the resources originating in medium-income and low-income countries would be returned as investment loans to contribute to economic growth. The challenge is to find ways to induce commercial banks to participate in this scheme.

(Mr. Nieto, Costa Rica)

The machinery could operate as an overall contingency fund guaranteed by the industrialized nations against the eventuality of non-performance. To make it more attractive, those same nations could grant a tax incentive to participating banks - for instance, tax exemptions for profits generated by such loans. Consideration could also be given to other measures that would increase the profitability of such investments to the banks.

Within the context of this programme, there would be no identification of the individual deposits made by each citizen; instead, a percentage of the total amount deposited by the citizens of a country in the banks of an industrialized nation would be taken into account, without detracting from the individual rights and prerogatives of each of the depositors.

Lastly, this policy would be strictly linked to a serious reordering of public finance in the democratic developing countries, or in those that make irrevocable reforms in the direction of consolidating democracy. Those would be the only countries eligible for such a plan, because in addition to its economic aspect, it must help to promote freedom and democracy.

One of the spheres of international co-operation which have attracted great interest in recent years is that of the environment. The international community has manifested its growing alarm at the ecological deterioration of our planet. The destruction of our natural resources at an unprecedented rate constitutes a common threat to all nations.

The deterioration of the environment is the result of the adoption of the wrong development patterns: waste and opulence in the North and bare survival in the South. Poverty is the chief cause of ecological destruction in the third world. The people are using natural resources to meet their basic needs, and this leads to the degradation of the soil, the depletion of sources of water and the destruction of forests.

(Mr. Nieto, Costa Rica)

The efforts being made by developing countries to mitigate environmental problems would lead to more tangible and lasting results if economic conditions were more propitious. Alas, our countries must deal simultaneously with more urgent national problems, such as the fight against malnutrition, hunger, housing shortages and illiteracy. What this means is that they must first eliminate poverty and underdevelopment. Want is a cruel thing - it offers neither truce nor relief.

(Mr. Nieto, Costa Rica)

However, as a response to these serious environmental problems, our presidents have created the Central American Environmental Development Commission to raise the awareness of our people as to the gravity of this problem, convinced as we are that truly to protect the environment, we must revitalize the economies of developing countries. The resources for waging this struggle can only come from renewed economic growth in our countries. To tackle this enormous task in the various fields that this implies, the need for international co-operation must become ever more manifest if we truly want our region to achieve lasting peace and freedom to have real meaning for men and women in Central America.

The task before us is a complex one replete with challenges. It involves a responsibility incumbent on all nations. To overcome the massive obstacles standing in the way of revitalizing development in our countries, we need the firm political will of all nations.

The changes occurring throughout the world promise an era of understanding and solidarity among people. The challenge for the international community lies in narrowing the yawning gap separating the rich from the poor, in promoting sustained development in developing countries and in preserving our democratic values. In this connection, whatever political consensus we may achieve here will be of special importance for the future of mankind.

It is indispensable for the international community gathered at this forum to reaffirm its solidarity, based on the conviction that is necessary to make major changes in the international economic system to do justice to the interests of the developing countries. There must be no delay in adopting a new, more imaginative and flexible attitude with a view to forging a new world in which a life of prosperity and freedom is a reality for all people.

Mr. NGOUBEYOU (Cameroon) (interpretation from French): The delegation of Cameroon, although speaking at this late stage of the debate, nevertheless is most pleased to associate itself with the congratulations extended to Ambassador Garba, who has been so positively presiding over this special session, which is historic and decisive for all mankind. But what additional contribution can I make on behalf of the Cameroon to that spirit of concord which we have seen for nearly a week now, which has included the interesting contributions of a number of delegations and geographic groups, in particular the statement made by the Chairman of the Group of 77, which reiterated the concerns of the developing countries after the decade of the 1980s and at the dawn of a new decade which is beginning in a more promising international context. Does not the independence of Namibia, whose admission as the 160th Member of the United Nations we rejoice in welcoming, fit into this context?

I should like to take this opportunity to renew our appreciation to Mr. Javier Perez de Cuellar, the Secretary-General of our Organization, for his outstanding contribution to the Namibian cause and for his efforts with regard to the holding of this special session.

Finally, my delegation must pay a tribute to the Chairman of the Preparatory Committee, His Excellency Mr. Constantine Zephos, and the members of his bureau for the successful way in which they discharged the mandate entrusted to them.*

One thing evident in the statements being made here is the appearance of a new climate in international relations which is creating favourable conditions for the relaunching of a true North-South dialogue. Indeed, for reasons related in particular to ideological antagonisms and egoism, the economic order produced by Bretton Woods has led to the present impasse. It is therefore hardly surprising

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*Mr. Nieto (Costa Rica), Vice-President, took the Chair.

(Mr. Ngoubeyou, Cameroon)

that international economic co-operation and multilateralism in accordance with the Charter have experienced restraints, if not failures, leading to denial of the idea of the interdependence of peoples. This has been true for the first three of the United Nations Decades for Development, the Final Act of the seventh session of the United Nations Conference on Trade and Development, the United Nations Programme of Action for Economic Recovery and the Development of Africa and the integral programme of commodities, which have long remained unfulfilled, though the recent entry into force of the Common Fund does allow us to hope for some beneficial results.

The present international economic situation is also marked by macro-economic imbalances, and their negative effects are leaving a lasting mark on the economies of the developing countries, both concerning the instability of the rates of exchange and rising interest rates.

The new economic situation emerging on our planet with the appearance of new large groupings, the integration of countries of Eastern Europe into the world economy and the uncoupling of North and South is also a sign of the times as well as a source of concern for small countries, which are increasingly left on the sidelines. It emphasizes unequivocally the inequality of the international economic order and the urgent need for measures by the community of nations. This is the challenge this special session must meet.

To revitalize economic growth and development in the developing countries a reversal of this trend is needed, which requires symmetrical adjustments in the North as well as in the South. This means, first of all, a reversal of net financial flows and their increase towards the developing countries. The objective of 0.70 per cent for public assistance to development set in 1970 is far from being achieved. In the area of investments, particularly private investments, we observe a drying up and, indeed, for certain countries, elimination of their involvement.

(Mr. Ngoubeyou, Cameroon)

When we add to this the critical problem of debt and debt servicing, we can better see the need for financing of the developing countries and for an agreed upon global solution to the debt problem.

In this regard, the peace dividend that we hope will result from a reduction in tension and from disarmament will, to be sure, release additional means to be put to the service of the development of the developing countries.

Then there is the no less critical problem of the deterioration of the terms of trade. For a country such as mine, the Cameroon, whose economy is based essentially on agriculture, the active search for a solution to problems caused by trade and commodities is our greatest concern.

Clearly any revitalization of growth and development must take into account the specific situation of Africa. It is a continent of extreme poverty, of malnutrition, non-exploited human resources, desertification, drought, deforestation and so forth.

(Mr. Ngoubeyou, Cameroon)

Can Africa expect the international community to take action commensurate with those scourges? Only such action will ensure its entry and integration into the world economy.

My delegation would hope that the conclusions that emerge at the end of our work will reflect the renewed political will of the partners with regard to the concerns I have just enumerated. We would like to believe that another result will be the strengthening of the role of the United Nations and therefore of multilateralism. For in the final analysis what we are speaking of here is charting the course to the major milestones that lie ahead, once again proclaiming our common destiny, affirming the joint responsibility of Member States to meet the challenges of our times, reflecting in action the interdependence of peoples, and concluding a new contract of solidarity that would reconcile humanity with itself.

Mr. ROGERS (Belize): My delegation has been asked to convey, on behalf of the Government and people of Belize, warm greetings and sincere congratulations to Mr. Garba on his election to the presidency of the eighteenth special session of the General Assembly, devoted to international economic co-operation, in particular to the revitalization of economic growth and development of the developing countries. His proven leadership and skilful diplomacy will no doubt lead to a successful outcome of this critical session.

My Government wishes to take this opportunity to express a very warm welcome to the delegation of the Republic of Namibia on the occasion of its admission to the United Nations as the 160th Member State. The attainment of the long-overdue independence of Namibia and its dramatic entry into the international community at the eighteenth special session was a source of much pride for Belizeans, who maintained solidarity with the Namibian people during the long and historic struggle in claiming its right to self-determination. The victory of the Namibian

(Mr. Rogers, Belize)

people is also testimony to the untiring efforts of this community, led by our Secretary-General, who never shirked the daunting task of the successful implementation of the relevant United Nations resolutions on Namibia. Belize wishes to associate itself with the earlier calls made in support of the new Republic in the momentous task of nation-building.

Belize would also like publicly and warmly to welcome the new Permanent Representative of free Chile. We are confident that, having just emerged from the long, long night of dictatorship and denial of human rights, Chile will play an important role both in our region and globally in the field of protection of human rights.

This special session is convened against the backdrop of a growing disparity in economic performance between the industrialized nations and developing countries like ours. Despite the overwhelming changes in the international arena that have contributed to a drastic decrease in political tensions during the last decade, it is no secret that, for many countries like ours, the 1980s were the decade lost for development.

The further lessening of world political tension and the recent fundamental reforms in Eastern Europe suggest that this is an opportune time for concerted global action to address the disparity between unprecedented economic expansion in the developed market economies and stagnation and retrogression in the majority of developing countries. We have learned through difficult experience that the trickle-down theories postulated in the 1960s and 1970s prove useless in today's world, with heightened interdependence between national economies.

The impact of the debt crisis, the fall in world market prices of major commodities, increased protectionism, a decline in investment, and in some cases poor domestic economic management, have resulted in a scenario characterized as the

(Mr. Rogers, Belize)

low-growth trap. Unfortunately, those economic set-backs are accompanied by a human dimension, increasing the suffering of one fifth of the world's population already living in poverty.

In regions like Africa and Latin America, where highly indebted nations have been forced to reduce expenditure on education, health care, housing, welfare and other social services, the present stagnation and negative growth trends have led to declining levels in the indicators of human well-being. Rampant unemployment has disquieting effects on the social and political scene in many of our developing nations.

The economic disparity in our region has resulted in the neglect of meaningful roles for women. Indeed, though their numbers in the labour force in the last decade showed a gradual increase, the opportunities afforded them did not improve. If women are to be recognized and become full partners in the development of the region, all barriers should be removed and they ought to come to the forefront. More opportunities in education and training should be made available. Their full potential can only be realized if women are fully integrated into the economic, political and social life of our region.

Some of our countries, largely through substantial official development assistance, have managed to maintain positive net transfer of capital, but when considered as a whole, preliminary figures indicate that, during the five-year period from 1984 to 1989, developing nations experienced a negative net transfer of over $180 billion.

Apart from international trade, official development assistance has become a critical source for development financing, though the target for official development assistance, set at 0.7 per cent of the gross national product of developed countries, has yet to be attained. Resolution of the debt crisis

(Mr. Rogers, Belize)

requires bold political and economic action. International economic co-operation is essential as the heightened degree of interdependence between national economies hastens the transmission of negative economic shock.

(Mr. Rogers, Belize)

Stopgap measures such as refinancing or rescheduling debt payments have proved futile in revitalizing growth in the most heavily indebted of the developing nations. In the Latin American and Caribbean context successive efforts have failed to accomplish much in coping with the magnitude and consequences of the $434 billion owed. There is a direct relationship between the reduction in domestic investment, the import of capital goods and other necessities and the increasing payment obligations which give rise to budget deficits and spiralling inflation.

Structural adjustment, austerity measures and International Monetary Fund (IMF) and World Bank conditionality further affected the already volatile social structure in the severely indebted nations and in some cases brought about political instability without alleviating the burden or stimulating significant levels of growth.

While we acknowledge that peace and development are inextricably linked, we must now admit that new ways have to be sought to break the vicious circle that has trapped developing countries in a spiral of debt, economic stagnation and social crisis.

Regardless of the amount of attention being given to the much-touted Brady Plan, there is still concern that the overall debt picture of its potential beneficiaries will remain the same.

At this juncture Belize would like to salute one of our senior Commonwealth partners in development, Canada. At last month's meeting in Barbados of Heads of Government of Commonwealth Caribbean countries, Canadian Prime Minister Brian Mulroney announced that the Government of Canada has agreed to cancel all outstanding official-development-assistance debt owed to Canada by members of the Commonwealth Caribbean. The present indebtedness amounts to some $190 million.

(Mr. Rogers, Belize)

The forthright decision to extend that generous gesture deserves high commendation and has set a precedent for international economic co-operation towards debt relief in converting bilateral loans to grants.

The Canadians have taken the lead in the international community in recognizing and supporting the legitimate aspirations of nations that wish to grow at a rate that would result in steady improvement of the living standards of their peoples.

Growth and development policies in all countries must be formulated with an appreciation of the need to balance human goals with a safe and clean environment. The current preparatory process for the 1992 Conference on Environment and Development will focus on the link between poverty and the degradation of the environment. Problems such as desertification, deforestation, soil erosion, floods, and water and air pollution result from the depletion of natural resources as developing nations under extreme economic pressure seek to maximize agricultural potential. The poor and hungry will frequently destroy their surrounding environment in the struggle for survival. A people mired in absolute poverty and eking out an existence from their environmental-resource base regard efforts aimed at safeguarding the future as irrelevant.

Although efforts at conservation may divert funds from necessary economic and social activities, ecological considerations must remain a part of our development planning. Further deterioration of our environment will result in a vicious spiral, since, according to the 1987 Brundtland report, environmental degradation can undermine economic development.

The dilemma many countries find themselves facing is how to sustain economic growth while preserving the environment. International co-operation in establishing equitable economic terms is a fundamental factor in balancing that

(Mr. Rogers, Belize)

delicate equation. Proportionate responsibility for the preservation of our common future should be borne by the industrialized nations, which in many cases benefit from the exploitation of the resource base in our developing countries. Residuals, by-products and emissions caused by the very processes to which some developed countries can attribute their prosperity remain today the major threat to the global environment, depleting stratospheric ozone and contributing to global warming and rising sea levels. As our developing countries continue the march towards industrialization through our efforts to diversify, we would welcome assistance in acquiring environmentally sound and appropriate technologies.

Economic pressures resulting from the debt burden, deteriorating terms of trade and falling export-commodity prices greatly constrain our efforts at environmental conservation and illegal-drug eradication, both of which require substantial financial and technical resources. We hope that at this special session the industrialized nations will reaffirm their willingness to co-operate by contributing to the creation of a favourable international economic environment to bring renewed growth and the resources critical to the preservation of our common heritage. International economic co-operation is necessary to create fair trading régimes, stimulate investment and thereby encourage diversification.

The guarantee of fair market prices for our major export commodities would mean greater profits retained by our producers, who would find it less lucrative to engage in the illicit production, supply and trafficking of narcotic drugs to the major consumer societies traditionally situated in the industrialized nations.

In a world of growing interdependence, multilateral forums such as the United Nations play an increasingly large role in promoting the competitiveness of our States. Policies that guarantee access to markets and ensure an adequate transfer

(Mr. Rogers, Belize)

of science and technology are translated into the improved quality of life and eventual modernization of our economies.

We are encouraged by the level of international support given to the initiatives that seek to reverse trends towards protectionism and to establish a fair and durable multilateral trading system in accordance with the principles set forth in the Uruguay Round of the General Agreement on Tariffs and Trade (GATT).

My delegation would like to associate itself with appeals made for greater assistance to those countries which are pursuing effective policies for development.

Belize, like many of our fellow Member States, recognizes the importance of development strategies which efficiently mobilize and distribute limited resources to bring sustainable economic growth. Our national policies are export-oriented and seek investment, diversification and essential self-sufficiency. We maintain that our economic growth and development can best be achieved through a creative partnership between the public and private sectors. We rely on the efficient management of revenue in order to make resources available to the private sector for investment in productive enterprises and thus increase the level of income and employment for our Belizean people. We maintain our commitment to welcome genuine investors from abroad who, with their capital, technology and access to markets, can join Belizeans in expanding trade, in increasing export earnings and in generating jobs.

Through international economic co-operation and with the assistance of such multilateral agencies as the regional economic commissions, the formulation and implementation of effective national-development policies could be greatly enhanced.

(Mr. Rogers, Belize)

As rapid political and economic transformation sweeps across Eastern Europe the international community shows an increased willingness to lend assistance to this long-awaited process of reform. Countries such as ours hope that this realignment of political and economic power, however promising, does not result in the diversion of much-needed resources already allocated to the developing world. Though the reform movements in the East merit generous support from the West, we insist that such programmes be funded from savings resulting from the so-called peace dividend.

I have previously alluded to the human factor in the development crisis. As Belize mobilizes scarce resources towards developing the human potential for growth, of particular concern to us is the enormous socio-economic burden created by the large presence of refugees and displaced persons within our borders. Belize has frequently been described as the land of opportunity and has become the refuge for more than 20,000 Central Americans escaping regional conflicts and political uncertainty. Belize, with a population of approximately 185,000, consequently now has one of the largest per capita presences of refugees. Our Government provides generous conditions of asylum and not only approaches the problem from a humanitarian perspective but, in assimilating refugees into the greater Belizean society, addresses the problem from the standpoint of an economic development concern. Several projects, totalling $9.9 million, have been identified to provide basic facilities for Belizeans and refugees living side by side.

Education and skills-training, health and other social services, sanitation, food, housing and water all have to be provided at great cost but are critical in maintaining the quality of life enabling us to develop human resources to participate fully in the nation-building process.

(Mr. Rogers, Belize)

We issue an appeal here to those countries in a position to do so to pledge support to the specialized agencies such as the Office of the United Nations High Commissioner for Refugees (UNHCR) and the United Nations Development Programme (UNDP) to facilitate their efforts, in co-operation with our Governments, in alleviating the human suffering of refugees throughout the globe.

These are indeed challenging times. The convening of this special session has afforded us a unique opportunity not for negotiation but for dialogue on mutual concerns critical to the survival and welfare of most of the world's population. It is my delegation's hope that the essential principles agreed upon during the special sesion will be applied at future meetings dealing with related topics on our international agenda, and serve as important inputs to both the international development strategy and the upcoming United Nations Conference on Environment and Development.

Though it is recognized that we are the agents of change and the authors of our development, it is our view that our international partners can be more supportive of our efforts by the provision of better terms of trade, meaningful investment in our region, and an increase in the transfer of resources.

Mr. LOHIA (Papua New Guinea): May I, on behalf of the Government and people of Papua New Guinea, express our great pleasure and satisfaction at seeing Ambassador Joseph Garba presiding over this important special session of the General Assembly, devoted to international economic co-operation, in particular the revitalization of economic growth and development of the developing countries.

We are particularly pleased to join him and the other members of the Assembly in warmly welcoming Namibia to membership of the United Nations. The Government and people of Papua New Guinea extend their sincere congratulations to the people and Government of the Republic of Namibia on their heroic and successful struggle

(Mr. Lohia, Papua New Guinea)

to achieve freedom and independence, and now on becoming the 160th Member State of the United Nations. The Papua New Guinea Government has decided, and hopes soon, to establish diplomatic relations with the Republic of Namibia, with the objective of promoting bilateral and multilateral co-operation between nations.

Like members of our traditional exended families in Africa, Asia, Latin America, the Caribbean, the Pacific and elsewhere, we shall lean and count on each other for our common good.*

My delegation is grateful to the Secretary-General of the United Nations for his most useful and comprehensive report on the current status of our international economic co-operation as it relates to the economic-development needs of the developing countries. Together with his introductory statement at this special session, the Secretary-General has set for this general debate a very important and useful basis on which the Assembly can adopt some creative and constructive strategic guidelines for international economic co-operation and development.

We are also pleased with the collective views presented by the respective Chairmen of the Group of 77 and the Non-Aligned Movement at the commencement of our deliberations on the relevant issues. Papua New Guinea associates itself with those well-co-ordinated views.

This special session is taking place at an appropriate time, when the winds of change are sweeping through the globe, especially in Eastern Europe, southern Africa and Latin America. As the Austrian Vice-Chancellor, Mr. Joseph Reigler, said - and I am quoting from the text of his statement distributed in the General Assembly Hall:

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*Mr. Sallah (Gambia), Vice-President, took the Chair.

(Mr. Lohia, Papua New Guinea)

"In Europe the iron curtain, the Berlin Wall and the minefields that have divided our continent for over 40 years have been torn down and removed. We are in the process of building a new European house, a house where freedom, democracy and human dignity will be the guiding principles. One-party régimes, centrally planned economies and repressive bureaucracies are becoming past history."

It is pleasing to acknowledge that this "... new European house does not stand alone but forms an integral part of our common global village" - and, like Austria, other countries in Europe and North America should not forget their friends and partners for development in the developing countries. After all, we all need and depend on each other.

This special session should give some serious consideration to the human dimension of development, a qualitative approach to international economic co-operation in societal development and growth in the 1990s.

We in Papua New Guinea have adopted a new philosophy of education based on our noble traditions as elaborated by the National Goals and Directive Principles of our National Constitution. This philosophy is based on the principle of integral human development: integral, in the sense that all aspects of the person are important; human, in the sense that social relations are basic; and development, in the sense that every individual has the potential to grow in knowledge, wisdom, understanding, skills and goodness. We are committed by our Constitution to ensuring that every citizen is given the necessary intellectual and practical skills to participate effectively in the economic and political life of our country, with dignity and on the basis of freedom and equality.

(Mr. Lohia, Papua New Guinea)

The international community has "virtually lost a decade for development". The present political and economic climate gives us an opportunity to conduct a real and constructive dialogue for the creation and construction of a better world for everyone. A new momentum is here for the Assembly to tackle positively the important issues of disarmament, environment and development, so that an accepted international programme of action for the 1990s can be put in place for immediate implementation.

Despite a positive and encouraging scenario of growth in international trade, many developments in the international trading system continue to be a cause of major concern to many developing countries, including Papua New Guinea. These include the wide-ranging trade policies and activities of some Governments leading to trade tensions and, more important, the continuing proliferation of non-tariff barriers by many countries.

This special session, together with the multilateral trading institutions, must adequately address these negative developments, so that the growing trade disparities and imbalances between our economies may be rectified. Our immediate attention to prevailing trade problems is particularly important and necessary at this time, when there is growing integration of the world economy through international trade and financial activities.

Many of our developing countries are either land-locked or sea-locked island countries. Their economies are basically agricultural, dependent on the export of primary and semi-processed products to unfavourable markets overseas. Their need to derive foreign exchange in order to purchase essential intermediate products and materials from overseas markets is paramount. They need to develop their domestic infrastructures and broaden their industrial and manufacturing bases, so that their economies can provide the necessary goods and services to the masses of people in their villages in the rural areas.

(Mr. Lohia, Papua New Guinea)

In this regard, the need for vital and adequate foreign-exchange earnings from international trade, foreign investment and official development assistance to developing countries is essential. The adequate availability of these resources can and would enable the developing countries to determine their economic policy directions towards achieving sustainable economic growth. These will also bring additional revenue for them to create further employment opportunities for the masses of their people, as well as the necessary social benefits.

Papua New Guinea has been able to sustain a modest economic growth through a broad and sound economic-management strategy, assisted by a diversified trade and development policy. We could do better if the terms of trade in the international markets were equal or better. The developing countries need the assistance and support of the international community in increasing their level of international trade. Every effort must be made by the international community to reduce international trade imbalances between the developed and developing countries by improving the terms of trade. The persistently declining prices of commodities must be stabilized.

In our global efforts to improve the terms of trade between the developed and developing countries, Papua New Guinea has been actively participating in some of the major international commodity agreements to which it is a party. Papua New Guinea has been an active partner in the Lomé Convention, which governs our relations with the European Economic Community (EEC), as well as with the African, Caribbean and Pacific (ACP) countries.

In his opening address at the ACP/EEC Joint Assembly at Port Moresby on 19 March 1990, our Prime Minister, Mr. Rabbie Namaliu, said:

"The Lomé Convention, which has been hailed as a milestone in North-South co-operation, established a privileged and special relationship between ACP and EEC which we must all protect and promote to the benefit of all the people we serve.

(Mr. Lohia, Papua New Guinea)

"The new Convention both consolidates the Aqui from the Third Lomé Convention and breaks new ground in areas such as structural adjustment, trade in services and industrial development".

It is pleasing to note that there is increasing interest in the ACP/EEC family. In this regard we are pleased to welcome Spain and Portugal from the European Economic Community and Haiti and the Dominican Republic from the ACP group of countries to join the family. It is also our hope that Africa's newest nation, Namibia, should soon join the Lomé Convention.

Our close economic co-operation with EEC through the Lomé Convention leads us to wonder about the developments and progress on European integration by 1992. It is our hope that such an integration will not adversely affect the current trend of our trade and economic relations with EEC and its individual member countries.

Similarly, we note with caution the recent inauguration of the Asia-Pacific Economic Co-operation Arrangement in our region. We hope that such arrangements will complement the existing ones in the Pacific and not dismantle them in the interest of individual developed or developing countries.

On the question of the present global efforts towards international trade revitalization since the mid-1980s, Papua New Guinea is pleased with the progress made especially in the Uruguay Round of Multilateral Trade Negotiations. In our view, these negotiations are important and crucial. We are pleased to note that these negotiations are moving in the right direction, because failure to remove non-tariff barriers imposed by the developed market economies will continue to impede the ability of the developing countries to trade competitively in the international market.

As the Assembly has clearly noted during this debate, the world is undergoing sweeping and very rapid changes.

(Mr. Lohia, Papua New Guinea)

The unprecedented political, economic and social changes in Eastern Europe undoubtedly offer a real chance for world peace.

Developments in Central America, southern Africa, Asia and the Middle East also offer hope for peace and stability.

The international economic environment, including world trade, is also undergoing major changes. The Multilateral Trade Negotiations of the General Agreement on Tariffs and Trade (GATT) and the formation of trading blocs are among the most notable.

These changes will have a serious impact on the trade and economic well-being of the developing countries, especially the least developed countries. The plight of the developing countries, and especialy the least developed countries, is made even more difficult by the serious debt problem resulting from the worsening terms of trade.

Our sea-locked island countries in the South Pacific are not immune from the effects of international tensions and the worrying trends in the world economy. As our Foreign Minister, Mr. Michael T. Somare, said in his address before the General Assembly at its forty-fourth session in October 1989,

"Our struggle [here in the Pacific] is one of survival". (A/44/PV.30, p. 48)

It is a struggle to develop our people and national economies with the limited financial, technical and human resources available to us.

We shall maintain our firm commitment to keep our subregion of the world free from big-Power rivalry and the environment free from nuclear and other activities which can harm, if not destroy, our region's resources, including the most important source of livelihood for most Pacific Island communities: fish and marine resources.

(Mr. Lohia, Papua New Guinea)

It is pleasing to note that the world community is concerned about the preservation and protection of the environment. In the South Pacific, Papua New Guinea and other island States have ratified two important treaties that seek to protect our environment, namely, the South Pacific Nuclear-Free Zone Treaty and the Convention for the Protection of the Environment and Resources of the South Pacific.

Taken as a package, together with fisheries and other economic arrangements that are being progressively put in place, they represent important cornerstones for the protection of the environment in the South Pacific region and management and development of its vast marine resources, in accordance with the interests of the island communities.

We, together with our partners in the South Pacific Forum, are committed to the implementation of the foregoing treaty arrangements and will continue to oppose all forms of nuclear activity and dumping of industrial and other toxic waste in the region.

(Mr. Lohia, Papua New Guinea)

It is our sincere hope that the industrialized world and the nuclear-power States will not push our interests out to the periphery of their attention because of other competing interests.

The general debate at the eighteenth special session has been most useful and constructive. It is our hope that the final outcome or declaration by the Assembly will be on the basis of universal consensus by the world community. It should reflect the totality of society within the context of the world and the principle of integral human development leading to socio-economic prosperity, equity and order in the international economy and international peace and security.

ORGANIZATION OF WORK

The PRESIDENT: I should like to make the following announcement.

As representatives are aware, our session was to conclude this afternoon. However, pursuant to consultations, and in order to provide sufficient time for the completion of the work of the Ad Hoc Committee, it is now recommended that we extend the session until Monday, 30 April 1990. If I hear no objection, I shall take it that it is the wish of the Assembly to extend the session and hold plenary meetings on Monday.

It was so decided.

AGENDA ITEMS 8 AND 9 (continued)

GENERAL DEBATE

Mr. CABRAL (Guinea-Bissau) (interpretation from French): It is an honour for me to participate in the general debate on behalf of my country, the Republic of Guinea-Bissau. As may be imagined, my first words will be addressed to the delegation of Namibia as we most wholeheartedly hail its admission to full-fledged membership in the United Nations.

Thus has ended the process of bringing independence to Namibia, a process whose twists and turns we followed sharing the pain, sharing the anguish. We are overjoyed at the victory of the Namibian people.

Our dear Namibian brothers have been courageous and noble. Their lofty sense of honour and their unity have earned them the respect and admiration of all who today acclaim them and take pride in their achievement. They have been valiant fighters, and they will, I am convinced, be good builders as well. The struggle for political independence has been long and very hard-fought. The economic and social progress of their country will now demand of them just as much effort and sacrifice, if not even more. They deserve our confidence and our solidarity. On behalf of my Government, I extend to them a fraternal hand and address to them our very best wishes for success.

In our view the importance of this session does not lie solely in the need for third world countries further to sensitize world public opinion by proposing the holding of a special session devoted to the issue before us. The Governments of developing countries, including that of Guinea-Bissau, do not intend solely to strive to convince the Governments of the developed countries of the urgency of

(Mr. Cabral, Guinea-Bissau)

their providing the aid third world countries now need to overcome the crisis that has hit them so hard and is mortgaging their future.

In reality, what is at stake at this session goes far beyond the purely humanitarian dimension of the development aid that is among the many challenges that rich and poor countries must meet together. The interdependence of nations is a reality that is verified every day and demands of all of us a new mentality and new attitudes in consonance with the evolution of a world undergoing accelerating change, in which progress, particularly in communications, is bringing peoples and even political régimes together.

The difficulties the developing countries are having as they strive to put the crisis behind them and to play a useful, constructive role in world affairs result from the retention of inappropriate national machinery, which is totally beyond their control.

Alas, political independence for these countries has not gone hand in hand with the economic emancipation that would let them ensure appropriate and harmonious development in accordance with their aspirations. Their efforts are increasingly running into disparities, which, as they worsen, weaken their ability to ensure a viable level of growth and to take charge of their economic and social progress. Their inability to prevent the relentless decline in the prices for their raw materials, their only source of foreign-exchange income, stops them from making any progress. Their ability to make budgetary predictions and to implement development plans is weakened by exogenous factors.

External debt and high interest rates impose unbearable constraints on them. To reverse this situation we must urgently work together to come up with solutions consistent with and appropriate to their problems - notably commodity prices, debt servicing, the flow of capital from developing countries - and to eliminate the protectionist barriers that reduce their chances to export.

(Mr. Cabral, Guinea-Bissau)

The right kind of responses must be made to the essential question of human resources, for there can be no genuine economic emancipation or progress without the effective involvement of the people directly concerned.

We feel such measures are indispensable to the restoration of their macro-economic equilibrium and the establishment of a solid premise for development. The socio-political reforms introduced in many different countries could thus be strengthened, leading to better consolidation of the ongoing process of democratization, which is the guarantor of full respect for human rights.

Our devotion to democracy and universal implementation of these principles, however justified, must not serve as any kind of pretext for lack of commitment.

The understandable interest the upheaval in Eastern Europe has aroused must nevertheless not obscure the situation in the rest of the world, nor must it adversely affect the capacity of developed countries to live up to their commitments and shoulder their responsibilities.

Each country stands to gain from abiding by the national and international jurisdical norms necessary for the maintenance of world-wide ecological and political equilibrium, whose precariousness can be seen as soon as a conflict breaks out or a disaster strikes anywhere.

(Mr. Cabral, Guinea-Bissau)

The distances between countries and continents no longer form a shield. Peoples and customs are coming into closer contact with one another and merging more and more rapidly, to the point where health problems, such as AIDS, are posed. The whole international community must accept the implications of this evolution. Our past interest in other peoples must today become a constant concern, because we are all affected by everything that happens around us. During the session of the General Assembly devoted to consideration of narcotic drugs we saw the close connection between production and demand, just as we finally understood, although it was already clear, the correlation between production and the poverty of the growers.

We could not imagine living anywhere but on Earth, where the sky and the sea do not recognize frontiers, as some recent disasters have shown. The men and women who populate our planet must become aware of the gravity of the dangers facing us and make their peace with nature.

It is certainly difficult to demand of the farmer in the Sahel that he give up his charcoal, at present his only source of energy, and stop cutting down trees, without suggesting alternatives to meet his basic needs. There are certainly many possibilities for co-operation in that regard. I think, for example, of the introduction of almost rudimentary techniques to provide renewable energy sources, which can contribute to restoring ecosystems and increasing rainfall in that hard hit part of Africa. Certain developing countries have, in any case, succeeded in mastering such technology, which should be spread far and wide in the context of South-South co-operation.

The benefits of scientific and technological progress should go more to the have-nots, whose life expectancy is still low because of the high level of infant mortality, endemic diseases and malnutrition. Here it is worth recalling that

(Mr. Cabral, Guinea-Bissau)

certain countries continue to dump foodstuffs into the sea, while famine is still pandemic in third world countries, killing millions of people there.

Our work would have no meaning if we simply described the imperfections of the current international economic and financial system. We must go beyond simply stating the facts, however relevant they may be.

We cannot conceive of working together other than in a spirit of solidarity and partnership, which presupposes above all a full understanding of the role that each must play. That does not mean that we in the developing countries will shirk our responsibilities, because, clearly, they have been identified and recognized. I must add that a considerable number of third world countries, including Guinea-Bissau, are resolutely committed to implementing rigorous economic and financial measures, whose social cost is proving to be very high.

In that connection, in our view structural adjustment is a sedative, not a therapy. Because they are suffering, our peoples have more things to worry about than taking sides in the argument between different schools of thought about the management of the economy and development. What our people want is prices that reflect the sacrifices they make to produce our raw materials. Our children want to see us building schools - more schools - to put an end to part-time courses and overcrowded classrooms. Our old people who bear the marks of a life of privation and hard work, ask for a peaceful retirement without having to worry about tomorrow. Our women want more hospitals and medicines to overcome infant mortality, which brings mourning into our homes, and to protect our adolescents better.

It is desirable - indeed, important - that the General Assembly adopt a declaration at the end of this session. It would be wise for us to follow through on it in a useful way. Each country represented here must assess what is needed

(Mr. Cabral, Guinea-Bissau)

and try to reach our goals through constructive dialogue, devoid of any ideological rivalry. Each delegation must prove capable of giving pride of place to a genuine spirit of partnership and to propose, realistically and in line with the responsibilities that we all bear, an appropriate programme of action and effective measures living up to the hopes to which our deliberations give rise.

In that connection, I note and welcome the competence and skill with which the President is directing our work, and the determination to achieve tangible results which inspired the majority of those who took part in the work of the Ad Hoc Committee, whose Chairman, Ambasssador Zepos of Greece, has earned the appreciation of my delegation.

This session must mark a decisive phase in the conception and formulation of a new philosophy of international co-operation for development, based on full understanding of the interdependence of nations, and must in particular set the stage for the next Paris Conference on the Least Developed Countries. Success will breathe new life into multilateralism and confirm our common desire to pool our means and resources to build together a world that is fairer, cleaner, healthier and more humane.

The PRESIDENT: In accordance with General Assembly resolution 477 (V) of 1 November 1950, I now call on the Chairman of the Observer Delegation of the League of Arab States, Mr. Clovis Maksoud.

Mr. MAKSOUD (League of Arab States): That Namibia should be admitted to the United Nations at this special session symbolizes in a most emphatic way the interrelationship of political independence and the urgent need for economic development, besides being a source of joy and pride as well as reinforcing our conviction in the inevitable victory of authentic liberation movements.

(Mr. Maksoud, League of Arab States)

That our President, a noble son of Africa, should preside over this consciousness-raising session at a moment of dramatic changes in the world scene augurs well for a dynamic and constructive role for the United Nations in this decade.

Changes in the Soviet Union and Eastern Europe are having a profound impact on global economic relations and definitely on basic economic thinking, principles and priorities. These changes introduce new questions besides challenging existing assumptions. The global scene having been recast away from East-West polarity into a North-South equation, it is crucial that we articulate the following points.

First, the changes are taking place more in the North. We in the southern part of the globe are bound to be affected by them, although we should not be overtaken or swamped by them. We should persist in our commitment to our constant priorities and developmental requirements.

Secondly, we ought to communicate to the world community that the mainstream thinking in the third world anticipated and promoted the present convergence of economic concepts we are witnessing today. As we witness the thrust towards democratization and the growth of participatory politics in Eastern Europe, it is imperative that the gains in the realm of socio-economic equalization be protected and improved upon.

(Mr. Maksoud, League of Arab States)

Thirdly, it is of utmost urgency that while political enfranchisement is being enhanced in the northern part of the globe, no economic disenfranchisement persists in the southern part. The propensity for freer markets in emerging economic systems should be insulated from the temptations of looseness that were associated with the exploitative aspects of untutored capitalism.

Fourthly, it is our belief that in most developing societies the public sector must remain in its regulating but not controlling functions. The optimal balance between the individual and society must remain a determining guiding force. As we ought to avoid too much government, we must also avoid too much privatization. In this respect, too, public sectors thirst for control, which led to mismanagement and excessive bureaucratization, which must be thwarted. The need for the public sector in developing societies to inject constraints on coercion, abuse of power and elitism, remains uppermost in the plans of their leadership. The balance to which we refer is required to prevent freedom from being associated with looseness and equality with coercion.

If this is our broad conceptual framework, let me spell out very briefly and in concrete terms the problems that we face and the expectations we seek to realize.

First, we in the Arab nation are a rich nation of poor people. We are aware that while our proven resources of oil will increase in the next decade, we will have to continue our endeavours to ensure that our wealth addresses and ameliorates many parts of our vast areas of poverty. Our institutional infrastructure should continue to evolve in order to ensure both its adaptability to change and its operative role as the instrument for change. In this respect, the various Arab development funds are geared for this purpose - assistance for development.

(Mr. Maksoud, League of Arab States)

Secondly, it is incumbent upon the Arab States to consider that the vertical social stratification and the horizontal issues emerging invariably in pluralistic societies have to be addressed from the optic of a coherent overall developmental plan.

Thirdly, this in turn renders regional devices for developmental purposes vital and essential. This task is being undertaken by the League of Arab States and further enhanced by the sub-national regional groups and councils, such as the Gulf Co-operation Council, the Arab States Corporation Council and the Maghreb Corporation.

Fourthly, as in the case of all developing countries, the northern industrial nations can assist in resolving some of our most pressing problems in the following ways: industrial nations should allocate more funds for official development assistance; along with the proposed increases in the official development assistance of industrial and other wealthy countries, there must be a new criterion for its distribution among countries; it will undoubtedly be fruitful to provide technical assistance for those Arab countries and developing countries with unbearable debt burdens to identify investment projects which could help increase the volume of exports; furthermore, transfer of technology could help such countries reduce costs of production and expand their industrial and agricultural bases - with an expanding economy the Arab countries with large external debts would not only help them meet their foreign financial obligations but also increase the volume of international trade, which would in turn benefit the industrial nations as well; in addition to bilateral negotiations between debtors and creditors, with the purpose of writing off some of the debt, an international fund may be created under the auspices of the United Nations system to finance another

(Mr. Maksoud, League of Arab States)

portion of the debt which can be forgiven; rescheduling of the remaining portion of the debt may then be pursued with a reasonably lengthy grace period, without having to attach certain conditions which may be counterproductive - to insist, for example, on removing all subsidies in a short period of time as a condition for debt rescheduling could be politically destabilizing.

This special session of the General Assembly has been very useful in drawing the policy outlines for restructuring the global economy along lines which ought to prevent a continued dichotomy between developed and developing societies. The decade of the 1990s must prepare all of us to welcome the twenty-first century, whereby we are all sufficiently developed institutionally in order to ensure that we all continue developing towards a more equitable world community.

The intellectual ferment we are experiencing can augur well for the United Nations system, which has to be the arena for cross-fertilization of ideas and experiences. The purpose can no longer be confined to a process of familiarization among nations but, more important, it must be broadened to include the mutual sensitivities of each other's needs and requirements. This session was definitely a serious beginning. It triggered the quest for an overall strategy of response to the new and compelling challenges of our times.

The PRESIDENT: In accordance with the decision taken by the Assembly at its 1st plenary meeting, held on 23 April 1990, I now call upon the Managing Director of the International Monetary Fund, Mr. Michael Camdessus.

Mr. CAMDESSUS (International Monetary Fund (IMF)) (interpretation from French): It is a great privilege for me to be associated with these deliberations. First allow me to say that I understand, and to a great extent share, the concern which has motivated the Assembly throughout its work here. How,

(Mr. Camdessus, IMF)

indeed, can we not be concerned when we are made aware of the opportunities of the 1990s and see so many elements coming into play which could push the developing countries - indeed, an entire continent, Africa - towards marginalization? Before doing something about it, let us begin by identifying what has given rise to this concern: that is, the many problems we must face.

First, there is the rather disappointing record of the 1980s, which has often been expounded before the Assembly. I shall therefore not go into details but merely say that, while indeed disappointing, it was a decade of contrasts: to situations of quasi-stagnation and even tragic recession was juxtaposed the sparkling success of others who had consistently followed judicious policies. Also, there was the persistence of major causes of the failure of the 1980s: inflation, the debt burden and protectionism. These scourges continue to threaten us.

(Mr. Camdessus, IMF)

Last, some aspects of the most recent events add to our concerns: the developments concerning the rise in interest rates, the development of world trade and the terms of trade, a drying up of commercial finance, or at least the growing reluctance of commercial banks to give loans to countries encountering difficulty. These are facts.

However, are there elements in today's situation that would allow us to believe that the 1990s can be years of growth for all? I believe so. I shall not list them all. I should like to draw the attention of members to four of them. Perhaps we are not fully aware of their scope. First, clearly, there are the present developments in Eastern Europe. It is indeed true that while hailing the new turn of events, many of the developing countries are wondering whether, for them, there is not inherent in it a threat of finding themselves dangerously shunted aside. I would say that the result will be quite the opposite. By providing us with the opportunity to support the opening up and modernization of their economies, the countries of Eastern Europe are in fact providing us with a unique opportunity for assisting them in a particularly substantive manner for the prosperity of all. Therefore, I need not emphasize the eagerness with which the IMF has embarked on fulfilling that task. Members are aware of the magnitude of our programmes at the present time in Poland, Hungary and Yugoslavia, and the positive developments in the steps taken by Czechoslovakia and Bulgaria to join the programmes.

A second positive element of the 1990s is a relaxation of international tension and, as a result, a reduction in military expenditures, expenditures which were a source of considerable waste in the developing countries and elsewhere. This opens realistic prospects for economic progress, so long as the due priority is given to this redeployment or reduction of public expenditures.

(Mr. Camdessus, IMF)

The third positive element is one that I would call the silent revolution in economic thought. Here I am referring to the ever broader consensus which is emerging in the world on the nature of a reasonable economic strategy and the fact that there is no miracle solution, and on the rejection of the illusion and the paralysis of exclusive State management. In a sense, a new kind of economic wisdom is coming to the fore and peoples who have suffered so terribly in terms of their living standards because of less responsible approaches to the problem should be the true beneficiaries. The fourth and last element is the following: more and more voices are being raised in order to demand more democracy in the developing countries. This is indeed a good sign for future economic reforms. I know that this is a controversial idea and I am quite aware of the risks involved in the democratization process, but I am convinced that developments towards political pluralism and more responsible forms of government which reject arbitrary policies can contribute to the success of economic reforms, even if there are certain inevitable costs in the immediate present.

Here, therefore, are four new elements for our decade. These are some of the essential elements of what I would call a new deal. If we know how to use them in a renewed spirit of solidarity, we can make of the end of this century a decade of progress for all mankind. How can we do this? By going back to the two fundamental principles of international economic co-operation. First, each country bears primary responsibility for its own progress and its strategy; but secondly, each time a country sets reasonable growth objectives and does all in its power to improve its situation, the rest of the international community owes it all necessary support. We must transform these fundamental principles into a new contract for international co-operation and the two aspects I have mentioned must be treated with equal determination, energetic economic-reform policies and renewed support for development efforts.

(Mr. Camdessus, IMF)

I shall refer briefly to what I consider to be appropriate policies. These are policies designed to assist non-inflationary and sustainable growth, while recognizing that we need to expand the very concept of growth. We need clearly to have regular and non-inflationary growth, since there is no other way to a genuine improvement in standards of living. But that growth must be qualitative growth, and this concept transcends the narrow boundaries of economies, because it affects social justice, which must be strengthened, and the environment, which must be protected. This also implies the active participation of all strata of the population in the choice and implementation of that growth as a collective undertaking. This, I believe, has been emphasized repeatedly over the last few days. Growth transcends the sphere of the economy and penetrates into the social and political areas of life. I should have liked more time to develop for members the consequences which seem to me to flow from this. This in no way implies a more permissive concept of economic policy, a concept which would allow one to put off forever adjustment efforts. On the contrary, I think that if this is taken seriously, it will enable us to open up important prospects for improving the living conditions of the world's peoples, but it implies that we must get down to work immediately, since any form of delay in economic efforts makes the inevitable efforts at recovery even more problematical; a "watch and wait" policy paves the way to demagogy.

I am glad to say that in the more than 50 countries with which we work, Governments are increasingly coming to understand these needs and are trying to help their peoples understand them as well. However, I should also like to say that where such policies are applied, international support must follow.

(Mr. Camdessus, IMF)

It must come in the form of increased efforts to free international trade. The minimum duty of the international community is to ensure success for the Uruguay Round. An effort is also required of the great industrialized countries to perceive and take further into account the global aspects of their own economic policies. They have it in their grasp to contribute to a vital fall in interest rates throughout the world. They can do so if they apply to themselves the fiscal discipline we are recommending to the rest of the world. If that is done, then clearly financial support must also be speedily set up in the requisite proportions.

I am obviously not referring to the necessary flow of private capital, which countries experiencing difficulties must do all in their power to facilitate and foster. I am speaking in particular of efforts to sustain the necessary levels of official support. I must tell you that our experience with all countries in which we work is that there is a minimum threshold of support by the international community below which structural adjustment programmes have no chance of success.

Therefore, I believe that we need stepped-up efforts for official development assistance. We also need to pursue a strengthening of our debt strategy, which has already yielded particularly outstanding results in Mexico, for example, and in certain other countries. I am sure that if the strategy is consistently applied the debt may remain - doubtless for some time to come - an acute problem but one with which we can cope.

In any case, as far as the IMF is concerned, it will do all in its power to make its contribution, so long as it is given the means to do so. That will be the topic of the talks to take place in Washington, D.C. in the next few days concerning an increase in our quotas.

(Mr. Camdessus, IMF)

I apologize for having perhaps gone beyond my time-limit, but I wanted to share both my concerns and my hopes - hopes that with this newly acquired wisdom, this new deal and this new contract we can help to improve human conditions throughout the world. The challenges are enormous, but so are the opportunities. Let us pool our efforts in order better to take advantage of these opportunities.

AGENDA ITEM 3 (continued)

CREDENTIALS OF REPRESENTATIVES TO THE EIGHTEENTH SPECIAL SESSION OF THE GENERAL ASSEMBLY

(b) REPORT OF THE CREDENTIALS COMMITTEE (A/S-18/13)

The PRESIDENT: I now invite members to turn their attention to the draft resolution recommended by the Credentials Committee in paragraph 19 of its report.

I shall now call on those delegations wishing to speak in explanation of vote on the recommendation of the Credentials Committee. May I remind delegations that, in accordance with General Assembly decision 34/401, explanations of vote are limited to 10 minutes and should be made by delegations from their seats.

Mr. QURESHI (Pakistan): In regard to the report of the Credentials Committee before the General Assembly in document A/S-18/13 of 26 April 1990, my delegation wishes to put on record its formal reservations to the credentials of the delegation representing Afghanistan at the eighteenth special session of the General Assembly, devoted to international economic co-operation, in particular to the revitalization of economic growth and development of developing countries.

In view of the decision taken by the Organization of the Islamic Conference and the realities of the situation in Afghanistan, Pakistan continues to abide by its policy of withholding recognition of the régime in Kabul.

Mr. AL-SUWAIDI (United Arab Emirates) (interpretation from Arabic): In my capacity as Chairman of the Arab Group for April 1990, on behalf of Jordan, the United Arab Emirates, Bahrain, Tunisia, Algeria, the Libyan Arab Jamahiriya,

(Mr. Al-Suwaidi, United Arab Emirates)

the Syrian Arab Republic, the Yemen Arab Republic, Djibouti, Sudan, Somalia, Iraq, Oman, Qatar, Kuwait, Lebanon, Morocco, the Kingdom of Saudi Arabia, Mauritania and Democratic Yemen and on behalf of the State of Palestine, I should like to place on record our reservations on the credentials of the delegation of Israel to the eighteenth special session of the General Assembly.

More than four decades have elapsed since Israel's admission as a Member of the United Nations. During that period, it has proven unequivocally that it is not a peace-loving State, in contravention of the provisions of the Charter, particularly Article 4. Israel has not fulfilled its obligations and has flouted all the resolutions of the General Assembly and the Security Council concerning the question of Palestine and all the problems related to it.

I should like to recall General Assembly resolution ES-9/1 which states that Israel's record and actions establish conclusively that it is not a peace-loving Member State and that it has not carried out its obligations under the Charter. In that light, we should like to place on record our reservations on the credentials of the delegation of Israel to the eighteenth special session of the General Assembly.

The reasons for those reservations are as follows. First, Israel has not complied with the relevant Security Council resolutions on the question of Palestine, the situation in the Middle East and the question of Lebanon, thus violating Article 25 of the Charter.

Secondly, Israel has not implemented the relevant General Assembly resolutions on the question of Palestine and the situation in the Middle East, which call for the achievement by the Palestinian people of its inalienable rights, including the

(Mr. Al-Suwaidi, United Arab Emirates)

right of return, the right to self-determination and the right to establish its own State in Palestine. Those resolutions also urge an end to Israeli occupation of the Arab territories, in accordance with the principle of the non-acceptance of the acquisition of territory by force. Thus, we call for Israel's withdrawal from all the occupied territories, including Jerusalem and the Syrian Arab Golan Heights.

(Mr. Al-Suwaidi, United Arab Emirates)

Third, Israel's non-implementation of the resolutions of the General Assembly concerning the other sub-items on Palestine and the situation in the Middle East.

Fourth, Israel's violation of human rights in the occupied Arab and Palestinian territories, including Jerusalem, and in particular its violation of the provisions of the Fourth Geneva Convention of 12 August 1949. Here I would mention in particular the escalation of Israeli repression since the eruption of the intifadah of the Arab Palestinian people in occupied Palestinian territories and of the populations of the occupied Arab territories.

Fifth, Israel's annexation of Jerusalem and the Syrian Arab Golan Heights, in violation of the provisions of the Charter of the United Nations and the norms and rules of international law.

Sixth, Israel's continued acts of aggression against Arab States and the expansion of its acts of aggression in the Middle East.

Seventh, Israel's continued collaboration with the racist régime in South Africa, particularly in the nuclear and economic fields.

Eighth, the fact that the credentials of the Israeli delegation were issued in the occupied city of Jerusalem, which is a violation of Security Council resolutions, in particular resolution 478 (1980), as well as of relevant resolution of the General Assembly, in particular resolution 35/169 E of 15 December 1980.

For all those reasons, we wish once again to express our reservations with regard to the credentials of the delegation of Israel.

Mr. VAN SCHAIK (Netherlands): My Government welcomes the report of the Credentials Committee (A/S-18/13) and hopes that it will be adopted without a vote. We would like, however, to state that adoption of that report can in no way be interpreted as support for a Government of which the Khmer Rouge forms a part.

(Mr. Van Schaik, Netherlands)

Meanwhile, the Netherlands Government fully supports the ongoing efforts towards a comprehensive, peaceful settlement of the conflict in Cambodia.

The PRESIDENT: We have heard the last speaker in explanation of vote before the voting.

The Assembly will now take action on the recommendation of the Credentials Committee contained in paragraph 19 of its report.

In the Credentials Committee the draft resolution was adopted without a vote. May I take it that the General Assembly wishes to proceed in the same manner?

The draft resolution was adopted (resolution S-18/2).

The PRESIDENT: I shall now call on those delegations wishing to speak in explanation of vote after the voting. May I remind delegations that, in accordance with General Assembly decision 34/401, explanations of vote are limited to 10 minutes and should be made by delegations from their seats.

Mr. NUÑEZ MOSQUERA (Cuba) (interpretation from Spanish): My delegation would like to place on record the fact that we do not recognize either the so-called Government of the Republic of Panama or its representatives in this Assembly. The current Panamanian Government was imposed by United States invasion troops last December, and the credentials of its representatives are not legitimate. They do not represent the interests of the Panamanian people, and we should like clearly to express our reservations in this regard.

Mr. NOTERDAEME (Belgium) (interpretation from French): The General Assembly has just adopted, without a vote, the report submitted by the Credentials Committee. I should like to make it clear that Belgium's position should not be interpreted as implicit recognition of the present Kabul régime.

Moreover, Belgium, which has no diplomatic relations with any of the régimes in Cambodia, would again like to reiterate its opposition to the return to power of

(Mr. Noterdaeme, Belgium)

the Khmer Rouge, which is responsible for genocide, as it did earlier in its explanation of vote with regard to resolution 44/22. My country would once again reaffirm its total condemnation of the Khmer Rouge and the atrocities of which it is guilty.

Mr. CORR (Ireland): With regard to the report of the Credentials Committee the delegation of Ireland wishes to recall that in the past it has abstained on the issue of Cambodian credentials. My delegation has also on every occasion expressed its abhorrence of the genocidal policies of the Pol Pot régime. My delegation believes that the credentials issue is best addressed in the regular session of the General Assembly. In addition, the future of Cambodia is at present the subject of international consultations.

The PRESIDENT: We have heard the last speaker in explanation of vote after the voting.

I shall now call on those representatives who wish to speak in exercise of the right of the reply. May I remind members that, in accordance with General Assembly decision 34/401, statements in exercise of the right of reply are limited to 10 minutes for the first intervention, and to five minutes for the second, and should be made by delegations from their seats.

Mr. ROSHAN-RAWAAN (Afghanistan): Just a few minutes ago we heard yet another slanderous statement against my country by the representative of Pakistan and a couple of other representatives.

First, I would like categorically to reject what was stated by those representatives. I would not have taken the very precious time of this meeting simply to respond to rhetoric. What the representative of Pakistan said was rhetorical in form only. In content, it was yet another reflection of the aggressive policies pursued by the military establishment of Pakistan. That military establishment is the source of destabilization in our region. After

(Mr. Roshan-Rawaan, Afghanistan)

interfering in the internal affairs of Afghanistan for over a decade, it has now also started interfering in the internal affairs of yet another neighbour, India.

That military establishment is the source of all the troubles of the Pakistani people themselves. That establishment does not represent the true wishes of the people of Pakistan. The Pushtuns, the Baluchis, the Sindhis and the Muhajir represent only their own vested interests, and the representative of Pakistan who spoke on their behalf expressed their aggressive nature.

After a very humiliating defeat in Bangladesh and after the very humiliating failure of their conspiracies and intrigues against my country, and particularly after the defeat at Jalalabad and the recent coup, those circles have resorted to rhetoric and policies to destabilize the region.

(Mr. Roshan-Rawaan, Afghanistan)

These are the circles that have provided false information to other countries concerning the true situation in our region, the true situation on our borders and in our country. They have even betrayed their own friends and allies by providing them with propaganda instead of information, resulting in policies that have complicated the situation in my country. Given true political will, this situation would not be very difficult to resolve.

I have referred to what happened in Jalalabad and, recently, in Kabul. Let me briefly add this: What saved the day in Jalalabad was the Afghan nation - the Afghan nation as a whole. Only a small number of extremists in the service of the Inter-Service Intelligence (ISI) decided to open fire on their brethren. Even many commanders inside Afghanistan refused to do that; they refused to obey the orders issued by the Pakistani Inter-Service Intelligence. What saved the day was the valour, decisiveness and unity of a nation which is 5,000 years old. I should like to ask the representative of Pakistan this: where were these military circles in Pakistan when we defeated colonialism in our region, for the first time, and provided a good example for other nations to rise up for their rights?

The representative of Pakistan arrogated to himself the right to speak some very slanderous words about this proud nation with a very long history and civilization. I want to remind the representative of Pakistan that the people of this nation are at one in their desire to develop their country, to have at their disposal all the possibilities of a modern country. Pakistan cannot impose on Afghanistan a return to the Dark Ages. I believe that all my compatriots throughout the world - in Western Europe, here in the United States of America, and elsewhere - will not allow Pakistan to impose on Afghanistan a return to the Dark Ages.

Pakistan must forgo the policy of trying to have a very weak Afghanistan as a neighbour. For its own good, Pakistan must try to live with its neighbours -

(Mr. Roshan-Rawaan, Afghanistan)

India and Afghanistan. We are in the same region. We have to understand and co-operate with each other.

Similarly, it was the valour, the heroism of a nation with a long history and civilization that came to the fore in Kabul when a number of lackeys of Pakistan's Inter-Service Intelligence tried to mount a coup. I must tell the representative of Pakistan that since the failure of this attempted coup the Afghan army has cleansed itself of the lackeys of the Pakistani ISI. It will deal crushing blows to any force that intruder from Pakistan into Afghanistan.

The relationship between the coup-makers in Kabul and the extremist forces in Peshawar has again awakened the Afghan nation. It knows that there is an enemy in its midst, that this enemy wants to keep it in the Dark Ages, that this enemy does not want Afghanistan to have peace, that this enemy does not want the Afghan nation to come together, that this enemy is not allowing the Afghan nation to solve its problems in its own way, that this enemy is interfering in the country's internal affairs and bringing suffering to the people, including children, women and the elderly, that this enemy is destroying our economy. So the nation has awakened. It knows who its enemy is. It knows what the problem is. It is going to solve the problem. But it is in the interest of all of us in the region, particularly Pakistan, to understand the realities. It is in Pakistan's interest to come to terms with its neighbours and decide to live, for once in the entire existence of Pakistan, in peace with its neighbours.

The present policy has brought a great deal of suffering to the people of Afghanistan, but also to the people of Pakistan. We all know that a few months ago there was an election in Pakistan. The people of Pakistan went to the ballot boxes and they chose their own civilian leadership. Unfortunately, however, the fact remains that the military is not back in its barracks; it is not attending to its own military affairs; it is controlling Pakistan's policies. This has prevented

(Mr. Roshan-Rawaan, Afghanistan)

the emergence of genuine democracy in Pakistan and has increased the suffering and the suppression of various nationalities in Pakistan - the Pushtuns, the Baluchis, the Muhajir, the Sindhis. These military circles have imposed their own policy, based on interference and intervention in and aggression against our country. I must remind the representative of Pakistan that this policy cannot win anything. Jalalabad proved that; Kabul proved that. Even when Jalalabad introduced its own military battalions into the fighting, this was not able to save the day for the Pakistani ISI.

Pakistan must recognize that there is a nation living beside it as a neighbour. We want friendship with the people of Pakistan. We are friends of the people of Pakistan. We have a long common history. We have a common culture. We have a common language. There is no reason for us to be enemies. I do not believe for a second that the people of Pakistan want to be enemies of the people of Afghanistan. It is this small military circle that has taken the fate of a proud Pakistani nation in its hands which is creating all these problems for Afghanistan, for India and for other neighbours.

Mr. QURESHI (Pakistan): My delegation is speaking with great reluctance in reply to the totally unnecessary, baseless, false allegations of the representative of the Kabul régime. Our reluctance is not based on an inability to make an effective rebuttal to those allegations: it is simply that my delegation does not want to extend any semblance of dignity to the statement made by the Kabul representative.

My delegation categorically rejects everything said by the Afghan representative. Pakistan continues - and the world is aware of this - to abide by the principles of non-intervention enshrined in the United Nations Charter and by the Non-Aligned Movement.

(Mr. Qureshi, Pakistan)

My delegation will limit itself to saying that. We do not want to take any more of the Assembly's precious time.

Mr. ROSHAN-RAWAAN (Afghanistan): I am not going to reply to the rhetorics to which the representative of Pakistan resorted. What he said was totally baseless, and there is no need for me to reply to it.

Instead, I should like to extend an invitation to this delegation from a neighbouring country. We have been discussing here the question of development, particularly the development of countries such as mine and his. As we said in our statement in the general debate, one of the causes of the economic problems in our region is the fact that there are circles in Pakistan, in the frontier area, among the extremist forces of the Afghan opposition, that are dealing in illicit drugs. We all know that. Very precious land needed for feeding the people of Afghanistan is under the control of these extremist forces and is being used to cultivate various types of illicit drugs, particularly opium. This opium is being shipped via Pakistan to other countries, particularly in Europe and North America. My invitation to the delegation of Pakistan is this: For the sake of decency, let us co-operate to eradicate this source of suffering on the part of other peoples. Let us prove to the people of the United States of America, of Canada, of Western Europe that we are a civilized people, that we do not want to get fat off the suffering of other people by resorting to illicit trafficking in narcotic drugs; that we do not want to live on money made in that way.

(Mr. Roshan-Rawaan, Afghanistan)

For the sake of solving this problem, which is also affecting our people - there are addicts in Pakistan and addicts in my country - I invite the representative of Pakistan to co-operate with us in this regard.

In conclusion, I should also like to add that my acceptance of the report of the Credentials Committee must not be construed as my delegation's acceptance of the representatives of Pakistan as the genuine representative of the people of Pakistan. As I said in my previous statement, they are representing only the military establishment of Pakistan, which is not supported by the people of Pakistan.

The PRESIDENT: We have now concluded our consideration of agenda item 3.

The meeting rose at 1.25 p.m.